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C O N F I D E N T I A L SECTION 01 OF 03 TEL AVIV 002434

## STPDTS

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SUBJECT: THE AMBASSADOR DISCUSSES IRAN WITH EXPERTS AT THE

PRESTIGIOUS INSTITUTE FOR NATIONAL SECURITY STUDIES

Classified By: Ambassador James B. Cunningham, Reason 1.4 (b) (d)

- 11. (C) Summary. The Ambassador met with Institute for National Security Studies (INSS) Director Oded Eran and members of the INSS staff October 29. INSS is the premier security studies center, with close links to the Israeli military and intelligence communities. The discussion focused on Israeli thinking about how the U.S. and Israel should deal with the Iranian challenge. The INSS researchers, including retired Major General and former NSC adviser Giora Eiland and several other leading Israeli experts on strategic and nuclear issues, presented several Israeli viewpoints that ranged from need for the U.S. to address Russian priorites in order to gain Moscow's support for a stronger international effort to block Iran's nuclear program, to taking a regional approach to engaging Iran. principal common denominator in the Israeli views was that the credible use of force against Iran must be a key element efforts to stop Iran's enrichment of uranium and to influence Iran on regional issues are to have any chance of success. While unanimous on the need for a credible threat, the INSS researchers' views on the possible use of force were nuanced, with one nuclear expert arguing that it may not be possible to stop Iran's nuclear program by force. INSS Director Eran predicted that the Iranian threat would "dwarf all other issues facing Israel in 2009." INSS is preparing recommendations for the GOI, and the need for the U.S. to INSS is preparing engage Russia to focus on Iran will be a key element. Ambassador stressed that Iran would be a top priority for the U.S. during the remaining months of the Bush Administration as well as for the next Administration because Iran touches on all critical issues in the Greater Middle East. prejudging the policy of the next Administration, the Ambassador said it will be a top priority for this and the next U.S. administration to deal with both Iran's nuclear program and its regional activities. He concluded that the U.S. and Israel will have to work closely together during the course of the year. End Summary.
- 12. (C) The Ambassador, accompanied by PAO and PolCouns, visited the Tel Aviv-based Institute for National Security Studies, an independent think tank formerly associated with Tel Aviv University that has become Israel's preeminent national security think tank. INSS Director Oded Eran, a former Ambassador to the EU and to Jordan, invited the INSS research team to engage the Ambassador in a discussion on the challenges posed to U.S. and Israeli interests by Iran. The INSS researchers included retired Major Generals Giora Eiland and Aharon Zeevi Farkash, former Israel Atomic Energy Commission nuclear expert Ephraim Askulai, academic strategist Emily Landau, former Deputy Foreign Minister Yehuda Ben Meir, and former Israeli military intelligence analyst Ephraim Kam. Eran began the discussion by noting that INSS had just completed a project for the GOI on the Iranian threat and has been tasked with preparing policy advice on Israel's agenda with the next U.S. Administration. A core recommendation will be to encourage the U.S. to focus on Russia and to engage it on Iran.

- ¶3. (C) Retired Major General Farkash noted that Iran has had a nuclear program since the 1960s; the Shah also had ambitions for Iran to be a regional superpower. Since the 2003 invasion of Iraq, the Iranian regime has wanted a bomb to prevent a U.S. attempt at regime change. Iran's nuclear program enjoys a consensus among Iran's leadership. Israel is not the primary target of the program. As noted in the NIE, Iran demonstrated its pragmatism by halting its weapons program from 2003 to 2005. The only way to affect Iran's plans is through a united international community, including Russia and China. Economic pressure can have a real effect on Iran if the price of oil falls below \$50/barrel. Israel can support the international effort by sharing intelligence.
- ¶4. (C) Retired Major General and former NSC adviser Eiland focused his remarks on Russia, which he said is opposed to a nuclear Iran but assigns Iran a lower priority than several other issues. He said the Russians have been clear in their conversations with Israels that they are frustrated with American policy. Russia's primary interests are to avoid foreign interference in Russia's domestic politics, to keep the former Soviet Republics under Russian influence, and for Russia to be treated as an equal by the U.S. Eiland argued that U.S. policy over the past five years has undermined all three top Russian priorities. China and India are hiding behind Russia. The only way to unite the international community is a U.S. grand bargain with Russia in which the U.S. addresses Russia's priorities in return for robust Russian support on Iran. Eiland added that it may, however,

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be too late.

## Engage Iran in Regional Dialogue

- 15. (C) Landau said she thought Russia was one of several factors in handling Iran. Noting that she did not think Iran would agree to suspend enrichment, Landau said the point of international pressure must be to get Iran to negotiate seriously. A regional solution going beyond the nuclear issue must be the goal, and that requires the U.S. to engage Iran on the full range of regional issues.
- 16. (C) Kam agreed that the Arab states, with the exception of Syria, are alarmed by Iran's growing power, but they are unable to contain Iran. Tougher sanctions, combined with a credible military option can still convince Iran to halt its nuclear program, but only if Iran understands it will face attack unless it changes course. Ben Meir said he shared Eiland's sense of Russia's priorities, but the U.S. also has its priorities and cannot be expected to change its principles in order to gain Russia's support on Iran. Ben Meir doubted sanctions could compel Iran to change course in any event. Instead, the U.S. should put a regional proposal including incentives as well as the credible threat of force on the table with Iran. Getting Iran to stop enrichment is critical. Eran commented that the group had outlined two separate Grand Bargains: one with Russia, another with Iran, with the U.S. as the key to both. The Arabs play a double game, signaling to Israel and the U.S. quietly that they would not object if others would use force against Iran, but failing to confront Iran and cautioning against force in their public statements.

## Don't Discount China

17. (C) While agreeing that a tougher Russian stance would be useful, the Ambassador urged the Israelis not to discount China. China claims that Iran is not for it a core issue, but a war with Iran would affect China more than many other countries due to China's dependence on imported energy. We

should look for ways to get China more engaged and to see Iran as a problem for the international community rather than a problem for the U.S. and Israel. The Ambassador pointed out that a halt to enrichment and a regional approach are related, but of different natures. We have a clear goal on the nuclear program. Dealing with Iran's destabilizing influence in the region is crucial, but the regional dimension is more diffuse and efforts to counter Iran will not yield quick or clear results. A nuclear Iran would be a regional problem, so there should be a way to work with the Arabs more effectively.

18. (C) On the issue of Arab support on Iran, other speakers said the next U.S. Administration should be careful not to raise options if it is not serious about pursuing them or the U.S. risks losing credibility. The U.S. should also stop talking about a nuclear Iran as primarily a threat to Israel, since that makes it harder to build Arab support. U.S. pressure on Israel to do more for the Palestinians and a more explicit U.S. commitment to the security of the Gulf states along the lines of the Carter Doctrine of the late 1970s could also help with the Arabs.

## U.S. Priorities

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19. (C) Ben Meir commented that the Middle East may not be the top priority of the next U.S. Administration. He said he sensed "despair" in Washington about the Middle East in general. Ben Meir cautioned that assigning a lower priority to the Middle East could be dangerous since the problems will only get worse if the U.S. does not behave proactively. Landau noted that while she agreed with the Ambassador that there are two agendas, the nuclear one and the regional one, the international community is not succeeding in getting Iran to stop enrichment. If Iran gets a bomb, its regional position will be greatly strengthened. The goal should be to start the regional dialogue sooner rather than later. Iran Dwarfs All Other Issues

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110. (C) Nuclear expert Askulai commented that enrichment is only part of the problem since we do not know whether Iran has a parallel secret program. For that reason, Askulai said he was not sure that a military strike could achieve the desired results. The timeline is getting shorter all the time. Sanctions on Iran must be something like those once imposed on Iraq: no trade except for food and medicine, and a travel ban.

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- 111. (C) Eran summed up, saying that the Iranian challenge would dwarf all other issues facing Israel in the next year, and could even prevent Israel from taking action on other issues. In the ongoing debate in Israel, some argue that it is possible to deter a nuclear Iran, but others, such as former Deputy Defense Minister Ephraim Sneh, are arguing that if Iran obtains a bomb, it will mean a second Holocaust and therefore that must be prevented.
- 112. (C) The Ambassador concluded that Iran will be a top issue for the next U.S. Administration no matter who wins the election. The U.S. has global interests, and Iran is at the center of the most dangerous part of the world, with links to Afghanistan, Iraq, the Gulf, and the Israeli-Arab issue. Without seeking to prejudge the next Administration's policy, the Ambassador said Iran will be at the top of the U.S. agenda now and for the next Administration, and the U.S. and Israel should work closely together over the next year.